DEPARTMENT OF COMMERCE

Foreign-Trade Zones Board

[B-106-2013]

Notification of Proposed Production Activity
Xylem Water Systems USA LLC
Subzone 37D
(Centrifugal, Submersible Pumps and Related Components)
Auburn, New York

Xylem Water Systems USA LLC (Xylem), operator of Subzone 37D, submitted a notification of proposed production activity to the FTZ Board for its facilities located in Auburn, New York. The notification conforming to the requirements of the regulations of the FTZ Board (15 CFR 400.22) was received on December 2, 2013.

Xylem already has authority to produce centrifugal pumps, submersible pumps, and related controllers. The current request would add a new finished product (control panels) and certain foreign components to the scope of authority. Pursuant to 15 CFR 400.14(b), FTZ activity would be limited to the specific foreign-status components and specific finished products described in the submitted notification (as described below) and subsequently authorized by the FTZ Board.

Production under FTZ procedures could exempt Xylem from customs duty payments on the foreign status components used in export production. On its domestic sales, Xylem would be able to choose the duty rates during customs entry procedures that apply to control panels (2.7%) and centrifugal and submersible pumps (free) for the foreign status inputs noted below and in the existing scope of authority. Customs duties also could possibly be deferred or reduced on foreign status production equipment.

-2-

The components and materials sourced from abroad include: control panels; steel rivets; rubber diaphragms; axial fans; aluminum capacitors; metal brackets; and pump stands (duty rate ranges from free to 2.9%).

Public comment is invited from interested parties. Submissions shall be addressed to the FTZ Board's Executive Secretary at the address below. The closing period for their receipt is [INSERT 40 DAYS FROM DATE OF PUBLICATION IN THE FEDERAL REGISTER].

A copy of the notification will be available for public inspection at the Office of the Executive Secretary, Foreign-Trade Zones Board, Room 21013, U.S. Department of Commerce, 1401 Constitution Avenue, NW, Washington, DC 20230-0002, and in the "Reading Room" section of the FTZ Board's website, which is accessible via www.trade.gov/ftz.

For further information, contact Pierre Duy at Pierre.Duy@trade.gov or (202) 482-1378. Dated: December 17, 2013.

Andrew McGilvray, Executive Secretary.

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